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RURAL AREAS DEVELOPMENT 1963

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RAD PROGRAM GAINS MOMENTUM AS NEW LEGISLATION GOES INTO OPERATION

We must show the world what a free economy can do . . . to put unused capacity to work, spur new productivity and foster higher economic growth.

President Kennedy.

The Rural Areas Development (RAD) program which Secretary Freeman expanded under new legislation seven months ago scored a series of firsts last month, and moved ahead on all fronts.

In formally putting the expanded RAD program into motion last November, Secretary Freeman established policy and assigned agency responsibility for the new activities voted by Congress in 1962, including development of income-producing recreation, resource conservation and development projects, rural renewal projects and the cropland conversion program.

Since the last Newsletter:

1. The first loans have been made for recreation, for a shift in land use and for rental housing for elderly people.
2. The Arkansas Legislature has passed enabling legislation for rural renewal and resource conservation and development projects.
3. Fourteen proposed public recreation areas have been tentatively approved for watersheds in 10 States.
4. USDA reports it is now open for applications for resource conservation and development projects.
5. Final figures show 4,131 farmers filed applications to convert more than 205,000 acres of cropland to other uses in the 41 test counties under the cropland conversion program.
6. ARA indicates its industrial and commercial loans and public facility projects of the last 18 months will create more than 16,000 direct jobs in rural America.



7. USDA task force reports on resources and recreation potential in the Northern Great Lakes region.

Now for the details:

FARMERS HOME ADMINISTRATION CHALKS UP SERIES OF "FIRSTS"

The Rural Areas Development program took a big step forward with the announcement by Secretary Freeman that the Farmers Home Administration had made its first loans for (1) development of farmland recreation, (2) a shift in land use, and (3) rental housing for elderly rural people.



The first business ventures financed by FHA recreation loans included on-the-farm accommodations for vacationers, a small community golf course and the production of quail for controlled hunting.

Fourteen recreation loans totaling \$128,000 were approved from January 1 to March 31, 1963. State FHA officials said they received about 390 applications for recreation loans through March 31.

The Department's first loan to finance a shift in land use was made April 22 to 40 Colorado farmers. The \$375,000 loan will enable the Prowers County Grazing Association to buy or lease 14,940 acres and shift it into a well-developed grazing area. Approximately 13,500 acres are now overgrazed range land and 1,440 acres are in wheat and other crops.

The first insured loan for construction of rental housing for elderly rural people also was approved. The loan will be for \$100,000, and it will finance 20 apartments in Jackson Township, Ocean County, New Jersey. The funds will be advanced to Clarence Sprinkle, Jackson, New Jersey businessman, by a private investor with repayment insured by FHA.

ARKANSAS LEGISLATURE CREATES RURAL DEVELOPMENT AUTHORITIES

The Arkansas Legislature has authorized counties to create the legal bodies local people need to receive aid from the U. S. Department of Agriculture in the development of rural renewal and resource conservation and development projects.

The act gives counties the authority to organize Rural Development Authorities, which would have broad powers to buy and sell land, issue bonds, develop recreational facilities and construct roads, parks, dams and sanitation facilities.

"It is in the public interest that such Rural Development Projects be commenced as soon as possible in order to alleviate these conditions of chronic unemployment, underemployment, and economic underdevelopment of rural areas which now constitute an emergency," the State Legislature said.

Congress has empowered the Secretary of Agriculture to make loans to public bodies to carry out Federal legislation designed to assist in the renewal of depressed rural areas. The Arkansas act is specifically designed to authorize the type of public body that may cooperate with the Federal government on the new rural renewal and resource conservation and development projects.

PUBLIC RECREATIONAL AREAS TENTATIVELY APPROVED IN 14 WATERSHED PROJECTS

The Soil Conservation Service reported it has tentatively approved applications to develop public recreational areas in 14 watershed projects under cost-sharing legislation enacted by Congress last September.



These projects are located in Arkansas, Louisiana, Massachusetts, New Hampshire, Ohio, Oklahoma, Oregon, Pennsylvania, West Virginia and Wisconsin.

Sponsors of five other watershed projects also have submitted recreation proposals.

Preliminary estimates indicate \$6.5 million would be spent to develop recreational areas in the 19 projects. The Federal government and local sponsors would split this additional cost on about a 50-50 basis.

APPLICATIONS OPEN ON RESOURCE CONSERVATION AND DEVELOPMENT PROJECTS

Resource conservation and development projects moved a step nearer actual operation with the Department formally opening the way for applications from local sponsors. However, it was emphasized that no funds are available for planning within the current fiscal year.

Policy guides, instructions, outlines, and forms for use by local groups in preparing and submitting applications have been sent to Soil Conservation Service field offices. Local leaders in about 12 areas in 10 States are known to be seriously considering resource conservation and development projects.

CROPLAND CONVERSION SIGNUP COMPLETE

Final figures show 4,131 farmers filed applications to convert more than 205,000 acres of cropland to other uses in the 41 counties in 13 States where the Department of Agriculture will test its cropland conversion program.

Congress authorized \$10 million to initiate the cropland conversion program on a limited basis during the current fiscal year. The Agricultural Stabilization and Conservation Service is in charge of this program. Farmers will sign long-range agreements with the Department to convert land now producing surplus crops to other income-producing uses, such as timber, grass, recreation, water storage, or wildlife habitat.

ARA PROJECTS TO CREATE MORE THAN 16,000 RURAL JOBS

The Area Redevelopment Administration of the Commerce Department has approved 121 projects which will create more than 16,000 direct jobs in rural America.



ARA said that during the past 18 months, 76 industrial and commercial loans totaling \$20.3 million have been approved in rural areas, and 161 active applications are under consideration. Forty-five public facility projects totaling \$21.8 million in ARA funds are underway, and 65 additional applications from rural areas are under consideration.

Responsibility for the development and certification of ARA industrial and commercial projects for USDA has been delegated to the Rural Electrification Administration, while FHA has similar responsibility for rural public facility projects.

ARA said 387 designated rural areas have completed and obtained official approval of overall economic development programs to become eligible for ARA loans and other assistance, and 129 others have been submitted for final action. Extension Service reports about 500 non-designated counties have also completed initial economic development programs.

RESOURCES AND RECREATION POTENTIAL OF NORTHERN GREAT LAKES SPOTLIGHTED

A new USDA task force report sets forth the opportunities for making the most of land, forest and water resources of the Northern Great Lakes region.

The report places special emphasis on the outdoor recreation resources to be found in the Northern Lake States. It notes that the region has the basis for a strong recreational and tourist economy, and that it has a vast storehouse of timber and mineral resources. However, task force members found that the true potential of these resources for serving the public and for expanding the local economy is far from realized.

WISCONSIN LEGISLATURE URGES EXPANSION OF FHA RECREATION LOANS

The Wisconsin Legislature has petitioned Congress to expand the Farmers Home Administration recreation loan program.

The resolution presented to the U. S. Senate urged that Congress "extend the coverage of the recreational loan program of the Farmers Home Administration to include resort owners." The resolution said such a move would help further develop Wisconsin's natural resources and "improve the State's economy and thereby make the northern part of Wisconsin more self-sufficient."

MORE FUNDS SOUGHT FOR ACCELERATED PUBLIC WORKS

Washington--The Senate has received a House-approved supplemental Accelerated Public Works appropriation of \$450 million, \$50 million less than the Administration requested.

USDA received \$35 million of the original \$400 million APW allocation. The Forest Service and Soil Conservation Service have used \$20.3 of this money to create 29,251 man-months of employment, and the remainder of the USDA funds will be allocated before June 30.